

# STAFF REPORT 12/11/2019

To: Honorable Mayor and City Council Members

Celina Jimenez, Grants Manager &

Gabriel Martin, Economic Development Manager

SUBJECT: Authorize a Small Business Assistance Grant in the Amount of \$2,500 to

Ricardo Salazar to Help Defray Small Business Startup Costs

## **STAFF RECOMMENDATION:**

Staff recommends that the City Council authorize a Small Business Assistance Grant in the amount of \$2,500 to Ricardo Salazar, a graduate of the SBDC Eats program and who has complied with all of the requirements of the Small Business Assistance Grant program.

## **BACKGROUND:**

The purpose of the City of Coachella Small Business Assistance Program is to expand economic opportunities for small businesses by supporting micro businesses located in the jurisdictional limits of the City of Coachella. A micro business for the purpose of this program has five (5) or fewer full-time equivalent (FTE) non-seasonal employees (including the firm's owner(s)). It is expected that the Small Business Assistance Program will consider making cash grants up to \$2,500 which will be further leveraged by the recipients' matched savings with the purpose of creating, growing, and retaining small businesses in the city of Coachella. Grant funds will help cover business startup costs such as permits, registration, equipment, and other startup fees. Grant recipients are selected and recommended for award by the Economic Development Committee and formally awarded by the City Council.

### **DISCUSSION/ANALYSIS:**

The City of Coachella established a partnership with the Riverside County Economic Development Agency and with America's Small Business Development Center California (SBDC) to help prospective small business owners who are interested in making direct sales of certain low-risk food products known as *Cottage Foods*, to create a business plan appropriate for achieving funding, growth objectives or startup goals. Direct sales of food products that are prepared and packaged in private home kitchens may take place at bake sales, certified farmers' markets, and even temporary events. Graduates of the program will be selling and showcasing their food products at City of Coachella events and at other events held throughout the Coachella Valley.

The SBDC has been working with clients regardless of their stage in business and has been offering guidance through a series of 6-week long workshops that provide an overview of the business plan process to help them determine their business goals, research and communicate their ideas, review financial data and create engaging marketing plans. Additionally, the SBDC has been offering business formation advice, permits and license guidance, research, marketing and other essential business planning tools. Mr. Salazar completed the SBDC Eats course that took place in the month of June, 2019. Mr. Salazar is preparing to establish a dessert shop in the city of Coachella.



#### **ALTERNATIVES:**

- 1. Authorize a Small Business Assistance Grant in the Amount of \$2,500 to Ricardo Salazar
- 2. Do Not Authorize a Small Business Assistance Grant

## **FISCAL IMPACT:**

The Small Business Assistance Grant funds will be funded by the General Fund.